

STATE OF THE STATE ADDRESS
BY
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LT. GOVERNOR, MR. SPEAKER, MR. PRESIDENT PRO-TEM, DISTINGUISHED STATE OFFICIALS, MEMBERS OF THE JUDICIARY, MEMBERS OF THE 83RD GENERAL ASSEMBLY, REVEREND CLERGY, FELLOW MISSOURIANS:

ONE YEAR AGO TODAY WE GATHERED TOGETHER, HUDDLED AGAINST THE COLD ON THE STEPS OF THIS MAGNIFICENT MONUMENT TO THE DREAMS AND HOPES OF THE PEOPLE OF MISSOURI, TO MARK A BEGINNING. WE GATHERED IN HOPE FOR THE FUTURE, WITH FAITH IN OUR ABILITY TO ADDRESS THE PROBLEMS FACING THIS STATE, AND IN CONFIDENCE THAT IF WE PLEDGED OUR BEST EFFORTS, FREED OURSELVES OF THE BONDS OF PARTISAN CONSIDERATIONS, AND SHARED OUR HOPES FOR THIS STATE, WE COULD MAKE A CONTRIBUTION TO THE PEOPLE'S WELFARE. AND WE BEGAN WITH THE UNCERTAINTY OF NOT HAVING WORKED CLOSELY TOGETHER, AND WITHOUT THE FEELING OF PERSONAL COMFORT WHICH CAN COME FROM A HISTORY OF MUTUAL ENDEAVOR.

ONE YEAR LATER, OUR HOPES REMAIN HIGH. MANY OF OUR DREAMS HAVE BEEN REALIZED. AND I CONTINUE TO THANK GOD FOR YOU AND THE PRIVILEGE OF SERVING WITH YOU IN SHAPING THE FUTURE OF MISSOURI.

I REMAIN SINCERELY GRATEFUL FOR THE SPIRIT OF WARMTH AND COOPERATION THAT HAS MARKED OUR YEAR TOGETHER IN SERVICE TO MISSOURIANS. THE FRUITS OF THAT SPIRIT ARE EVIDENT TO ALL IN ACHIEVEMENTS WHICH SPEAK WELL OF THE LEADERSHIP OF THIS GENERAL ASSEMBLY, AND THE VISION OF ITS MEMBERS.

I COMMIT MYSELF TO CONTINUING THE TEAMWORK WHICH HAS SO IMPRESSED BUSINESS PROSPECTS WHEN SPEAKER GRIFFIN, SENATOR SCOTT AND I HAVE SHARED WITH THEM MISSOURI'S COMMITMENT TO BUILDING AN ATMOSPHERE OF EXCELLENCE. THE TEAM APPROACH WORKS FOR MISSOURI OUTSIDE OF OUR STATE, AND IT WORKS HERE AT HOME, TOO.

THE PAST YEAR HAS BEEN A GOOD ONE FOR OUR STATE. UNEMPLOYMENT HAS REMAINED LOW -- NOW STANDING AT 5.9 PERCENT. JOBS IN MISSOURI GREW AT TWO AND ONE-HALF TIMES THE NATIONAL AVERAGE. OUR STATE ECONOMY REMAINS STRONG. ITS STRENGTH REFLECTS THE PRODUCTIVITY OF OUR PEOPLE, THE RESILIENCE OF OUR BUSINESS AND INDUSTRY, AND THE CONTINUING NATIONAL ECONOMIC RESURGENCE. WE THANK GOD FOR THE BLESSINGS OF PROSPERITY. WE ARE INDEED FORTUNATE TO BE THE RECIPIENTS OF THE BOUNTY OF THE DEMOCRACY AND MARKET ECONOMY ESTABLISHED BY OUR FOREFATHERS.

YET THERE REMAIN ABLE-BODIED MISSOURIANS WHO WANT TO WORK BUT CANNOT FOR WANT OF SKILLS OR JOB OPPORTUNITIES; THERE REMAIN CHILDREN WHO NEED BETTER EDUCATIONAL OPPORTUNITY TO HAVE A CHANCE TO SUCCEED; THERE REMAIN FARMERS WHO NEED BETTER PRICES FOR THEIR CROPS, ACCESS TO FOREIGN MARKETS AND RELIEF FROM THE BURDEN OF HIGH INTEREST RATES; THERE REMAIN MISSOURIANS WHO NEED OUR HELP BECAUSE OF THE BURDEN OF MEDICAL COSTS, DISEASE, ABUSE, NEGLECT OR INADEQUATE INCOME TO SUPPORT THEIR CHILDREN.

ALL OF THESE PEOPLE NEED OUR HELP.

MUCH OF OUR EFFORT DURING 1985 FOCUSED ON CREATING NEW TOOLS FOR EXCELLENCE IN EDUCATION, FOR ECONOMIC GROWTH AND FOR GREATER OPPORTUNITY. 1986 SHOULD BE A YEAR OF IMPLEMENTATION, A YEAR IN WHICH WE PUT OUR NEW INSTRUMENTS TO WORK AT THE SAME TIME WE CONTINUE TO DESIGN AND CREATE ADDITIONAL TOOLS FOR HIGH ACHIEVEMENT.

THE CHALLENGE OF OUR STATE IS TO STRIVE FOR EXCELLENCE. WE MUST IMPLEMENT THE FRAMEWORK FOR EXCELLENCE WE HAVE BUILT TOGETHER. TO CONTINUE OUR MARCH TOWARD AN ENVIRONMENT OF OPPORTUNITY AND GROWTH, I PROPOSE A PROGRAM BUILT ON SIX THEMES:

- IMPLEMENTING EXCELLENCE IN EDUCATION

- IMPLEMENTING EXCELLENCE IN ECONOMIC DEVELOPMENT
- REBUILDING PROSPERITY FOR AGRICULTURE
- PURSUING EXCELLENCE IN QUALITY OF LIFE
- PROVIDING FAIRNESS AND A STRONGER VOICE FOR CONSUMERS
- TAKING STRONG ACTION FOR A SAFER AND MORE SECURE MISSOURI

THE FOUNDATION OF THIS OVERALL PROGRAM FOR IMPLEMENTING EXCELLENCE MUST BE AN IRON-CLAD COMMITMENT TO FISCAL STABILITY. MY FISCAL YEAR 1987 BUDGET IS BALANCED. AND OUR FIVE-YEAR PROJECTIONS SHOW THAT WITH CAREFUL MANAGEMENT AND BY CONTROLLING GROWTH IN SPENDING, WE CAN LIVE WITHIN THE RESOURCES WHICH THE TAXPAYERS PROVIDE, WITHOUT A GENERAL TAX INCREASE OF ANY KIND.

AS THE CONGRESS CONSIDERS ADDITIONAL REDUCTIONS AND SPENDING PRESSURES MOUNT, WE MUST REMEMBER THAT ONE OF MISSOURI'S STRENGTHS IS OUR LOW STATE AND LOCAL TAX RATES. THE PRESTIGIOUS ADVISORY COUNCIL FOR INTERGOVERNMENTAL RELATIONS RECENTLY RANKED MISSOURI NUMBER ONE IN OVERALL BUSINESS CLIMATE, BASED IN PART ON OUR LOW TAXES. I SUPPORT BROAD AUTHORITY FOR LOCALITIES TO ESTABLISH THEIR OWN LOCAL TAX RATES, BUT WE SHOULD ALWAYS REMEMBER THAT LOW TAXES ARE AN ADVANTAGE FOR DEVELOPMENT AND JOBS.

I BELIEVE THAT THE PEOPLE EXPECT US TO SPEND PRUDENTLY, TO SPEND NO MORE THAN WE HAVE, TO AVOID UNNECESSARY BUREAUCRACY, AND TO PROVIDE THEM WITH THE BEST POSSIBLE VALUE FOR THEIR TAX DOLLAR. MY BUDGET IS BASED ON THESE PRINCIPLES.

IMPLEMENTING EXCELLENCE IN EDUCATION

TURNING TO THE SPECIFICS OF OUR AGENDA FOR 1986, I WANT TO BEGIN, OF COURSE, WITH EDUCATION. 1985 WAS A WATERSHED YEAR FOR MISSOURI PUBLIC EDUCA-

TION. YOUR ENACTMENT OF THE EXCELLENCE IN EDUCATION ACT OF 1985 SIGNALLED VICTORY FOR MISSOURI CITIZENS -- CONCERNED PARENTS, EDUCATORS AND LOCAL LEADERS, STATE ELECTED OFFICIALS AND OTHERS -- WHO HAVE DEVOTED THEIR HOPES AND ENERGY TO BUILDING HIGH-QUALITY EDUCATION FOR MISSOURI SCHOOLCHILDREN.

EXCELLENCE IN EDUCATION MUST HAVE FIRST-PRIORITY CLAIM ON NEW STATE REVENUES. THE LOTTERY REPRESENTS 86 MILLION NEW STATE DOLLARS IN MY BUDGET PROPOSAL. THIS YEAR THESE FUNDS SHOULD BE DEDICATED TO EXCELLENCE IN EDUCATION PROGRAMS, FUNDING INCREASES FOR HIGHER EDUCATION, EARLY CHILDHOOD EDUCATION, AND KEY EDUCATION PROGRAMS ENHANCING JOB OPPORTUNITIES FOR MISSOURIANS.

THE STUDENTS OF THIS STATE MUST BE THE FIRST LOTTERY WINNERS. I ASK THAT YOU APPROVE LEGISLATION DEDICATING THE FULL STATE SHARE OF LOTTERY REVENUES TO EDUCATION. THE BUDGET I AM PRESENTING ALLOCATES ALL 86 MILLION DOLLARS OF EXPECTED LOTTERY PROCEEDS TO EDUCATION FUNDING ABOVE AND BEYOND OUR COMMITMENT TO THE SCHOOL FOUNDATION PROGRAM.

- LOTTERY FUNDS SHOULD IMPLEMENT EDUCATIONAL EXCELLENCE PROGRAMS.
- LOTTERY FUNDS SHOULD PROVIDE NEW SUPPORT FOR OUR COLLEGES AND UNIVERSITIES.
- LOTTERY FUNDS SHOULD BE USED TO DEVELOP PRE-SCHOOLERS AND TO TRAIN ENGINEERS AND SCIENTISTS.

THE REAL LOTTERY JACKPOT IS THE POT OF GOLD IT GENERATES FOR THE EDUCATION OF OUR YOUNG PEOPLE.

MISSOURI VOTERS OVERWHELMINGLY APPROVED A MISSOURI STATE LOTTERY IN 1984. THE GENERAL ASSEMBLY PASSED AUTHORIZING LEGISLATION IN JUNE OF 1985. WITHIN HOURS, I SIGNED THE LEGISLATION AND APPOINTED THE MISSOURI LOTTERY COMMISSION DIRECTING THEM TO DEVELOP THE BEST LOTTERY POSSIBLE. EARLY NEXT WEEK, THE FIRST LOTTERY TICKETS WILL BE SOLD, ELEVEN DAYS AHEAD OF SCHEDULE.

LOTTERY DOLLARS ARE PROVIDED VOLUNTARILY BY MISSOURI CITIZENS. OUR CITIZENS, ESPECIALLY THOSE WHO CHOOSE TO PLAY THE LOTTERY, WANT TO KNOW WHERE THEIR DOLLARS ARE GOING. A RECENT POLL SHOWS THAT OVER NINETY PERCENT OF MISSOURI'S TAXPAYERS WANT THE LOTTERY REVENUES TO SUPPORT EDUCATION. THIS OVERWHELMING PUBLIC SUPPORT REFLECTS THE PRIORITY OUR CITIZENS ATTACH TO EDUCATION.

IF LOTTERY FUNDS ARE SPREAD AMONG THE MANY PROGRAMS OF STATE GOVERNMENT, NOT ONLY DO WE MISS THE OPPORTUNITY TO TARGET THEM TO THE HIGHEST PRIORITY OF THE BUDGET, BUT WE RISK DISCOURAGING THOSE WHO VOLUNTARILY PROVIDE THE REVENUE.

I HAVE DIRECTED THE MEMBERS OF THE LOTTERY COMMISSION TO STREAMLINE THE OPERATION OF THE LOTTERY. MY BUDGET ELIMINATES OVER 600,000 DOLLARS FROM THE LOTTERY BUDGET REQUEST FOR ADMINISTRATIVE COSTS. PROPOSALS FOR ALTERING THE ALLOCATION OF LOTTERY PROCEEDS ARE PROPERLY BEFORE YOU. WE MUST MAKE SURE THAT THE YOUNG PEOPLE OF THIS STATE ARE THE FIRST LOTTERY WINNERS.

TAKING EXCELLENCE IN EDUCATION FROM THE CONCEPT STAGE TO ACTUAL REALIZATION WILL BE A GIANT STEP TOWARD LASTING EDUCATIONAL REFORM.

THESE PROGRAMS WILL BE MADE POSSIBLE THROUGH 33.7 MILLION DOLLARS IN LOTTERY FUNDS AND ANOTHER 3.5 MILLION DOLLARS FROM THE EXCELLENCE IN EDUCATION FUND. THE HEALTH OF THAT FUND REMAINS THE STRONGEST GUARANTOR OF EDUCATION REFORM AND THE BEST GAUGE OF OUR COMMITMENT TO ITS FULL IMPLEMENTATION. THE EXECUTIVE BUDGET THEREFORE DRAWS PRUDENTLY ON THE FUND, MAINTAINING A HEALTHY 21.5 MILLION DOLLAR BALANCE TO APPLY TOWARD THE SUBSTANTIAL COST INCREASES OF FUTURE YEARS.

WE NEED TO GIVE SIMILAR PRIORITY TO OTHER QUALITY PROGRAMS WHICH MAY NOT BE A PART OF THE 1985 EXCELLENCE ACT, BUT WHICH STRENGTHEN OUR STUDENTS AND COMPLEMENT THE EXCELLENCE EFFORTS.

LOTTERY REVENUES WILL ENABLE US TO DOUBLE THE FUNDING FOR DEVELOPMENTAL SCREENING AND PARENT EDUCATION SERVICES UNDER THE EARLY CHILDHOOD DEVELOPMENT ACT OF 1984. THEY WILL ALLOW US TO INCREASE SUPPORT FOR THE MISSOURI SCHOLARS' ACADEMY FOR OUTSTANDING HIGH SCHOOL STUDENTS. AND WITH MAJOR NEW FUNDING, NEW INCENTIVES FOR MISSOURI'S VOCATIONAL EDUCATION SCHOOLS TO DELIVER HIGH-QUALITY PROGRAMS, AND TO PLACE STUDENTS IN WELL-PAYING, LONG-LASTING CAREERS, CAN BE A REALITY.

MISSOURI PUBLIC EDUCATION IS A BROAD RESPONSIBILITY. IN ADDITION TO IMPLEMENTING EXCELLENCE IN PRE-SCHOOL, ELEMENTARY AND HIGH SCHOOL EDUCATION, WE MUST EXPAND HIGHER EDUCATION PROGRAMS THAT EMPHASIZE QUALITY FOR STUDENTS AND STIMULATE RESEARCH TO TRIGGER LONG-TERM GROWTH THROUGHOUT OUR STATE ECONOMY. MY BUDGET CHANNELS ONE-HALF OF LOTTERY PROCEEDS -- OVER 43 MILLION DOLLARS -- TO PUBLIC HIGHER EDUCATION FOR: TARGETED INVESTMENTS IN RESEARCH AND TECHNOLOGY; UNIVERSITY/BUSINESS RESEARCH CENTERS IN KANSAS CITY AND ST. LOUIS; UPGRADED ENGINEERING EDUCATION EQUIPMENT AND INCREASED OPERATING SUPPORT TO COLLEGES AND UNIVERSITIES

WORKING HARD TO IMPLEMENT NEW TOOLS OF EXCELLENCE AND DEDICATING LOTTERY REVENUES TO EDUCATION DOES NOT MEAN THAT WE CAN SLIGHT THE STATE'S ON-GOING, FUNDAMENTAL RESPONSIBILITY AS A PARTNER OF MISSOURI'S 545 LOCAL SCHOOL DISTRICTS. AS A RESULT, 60 MILLION DOLLARS IS BEING RECOMMENDED FOR THE FOUNDATION PROGRAM. TOGETHER WITH THE 34 MILLION DOLLARS FOR EXCELLENCE PROVIDED BY LOTTERY PROCEEDS, OVER 94 MILLION NEW DOLLARS WILL BE AVAILABLE FOR THE SCHOOL CHILDREN OF MISSOURI. IN A YEAR OF MODERATE GROWTH, THIS REPRESENTS AN EXCEPTIONAL COMMITMENT TO EDUCATION. IN FACT, WITH THE EXCEPTION OF THE CURRENT YEAR, THIS 60 MILLION DOLLAR FOUNDATION INCREASE IS

THE LARGEST IN THE LAST SIX YEARS. I AM CONFIDENT THAT YOU SHARE MY EAGERNESS TO MAKE THAT COMMITMENT.

IMPLEMENTING EXCELLENCE IN ECONOMIC DEVELOPMENT

MANY OF YOU WERE HERE DURING THE EARLY PART OF THIS DECADE. THOSE DIFFICULT TIMES INCLUDED SEVERE BUDGET CUTS AND CURTAILMENT OF CRITICAL PROGRAMS. WE ARE FORTUNATE TO HOLD OFFICE TODAY, AND TO BENEFIT FROM THE STRONG, DISCIPLINED ACTIONS OF MEMBERS OF PREVIOUS GENERAL ASSEMBLIES AND GOVERNOR BOND.

WHILE WE CONTINUE TO HAVE A HEALTHY ECONOMY, WE MUST WORK EVEN HARDER TO ENSURE THAT MISSOURI'S INDUSTRIES REMAIN VIABLE IN AN INCREASINGLY COMPETITIVE WORLD MARKET.

LAST YEAR WE WORKED TOGETHER TO CREATE ADDITIONAL ECONOMIC DEVELOPMENT TOOLS. BUT OUR WORK TO INCREASE THE NUMBER OF JOBS FOR MISSOURIANS IS FAR FROM FINISHED.

I AM CONVINCED THAT MISSOURI'S FUNDAMENTALLY HEALTHY ECONOMY IS DUE TO THE QUALITY AND DEDICATION OF OUR PEOPLE. MY TOP ECONOMIC DEVELOPMENT PRIORITY FOR THIS LEGISLATIVE SESSION IS A 6 MILLION DOLLAR EXPANSION OF OUR JOB TRAINING EFFORT THAT WILL FUEL A DYNAMIC ECONOMY.

THE FULL BENEFITS OF THE CONSTITUTIONAL AMENDMENT WHICH CREATED THE DEPARTMENT OF ECONOMIC DEVELOPMENT WILL NOT BE REALIZED UNTIL YOU PROVIDE STATUTORILY FOR THE REORGANIZATION AND STREAMLINING OF THE DEPARTMENT. THIS MANDATE OF THE PEOPLE MUST NOT BE IGNORED.

THE BUDGET AND LEGISLATIVE PROGRAM SUMMARY DETAILS RECOMMENDATIONS THAT WILL AID START-UP COMPANIES AND HELP ENSURE THAT OUR INDUSTRIES REMAIN IN THE FOREFRONT OF TECHNOLOGICAL CHANGE. WE SHOULD STIMULATE CREATION OF VENTURE CAPITAL FINANCING CAPABILITIES TO ATTRACT THE COMPANIES OF TOMORROW. THE

ESTABLISHMENT OF CENTERS FOR ADVANCED TECHNOLOGY IS ESSENTIAL IF WE ARE TO ACHIEVE SUSTAINED RESEARCH IN CRITICAL TECHNOLOGIES.

WE MUST UPGRADE OUR CURRENT "JOBS AND CAPITAL" INVESTMENT TAX CREDIT TO ALLOW EXISTING MISSOURI BUSINESSES TO OBTAIN TAX INCENTIVES SIMILAR TO THOSE OFFERED TO BUSINESSES MOVING INTO OUR STATE. IF WE FAIL TO SERVE THESE "CITIZEN" COMPANIES, WE PLACE EXISTING JOBS IN JEOPARDY.

I ASK THAT YOU SERIOUSLY CONSIDER BUDGET AND LEGISLATIVE INITIATIVES THAT WILL DRAMATICALLY INCREASE OUR COMMITMENT TO SMALL BUSINESS. THE VAST MAJORITY OF OUR NEW JOBS ARE CREATED BY SMALL BUSINESS. I URGE YOU TO PROVIDE FUNDING FOR THE SMALL BUSINESS OFFICE TO EXPAND THE AWARENESS OF STATE AND FEDERAL ASSISTANCE PROGRAMS. THE ONE-STOP SERVICE AND CONTRACT PROCUREMENT PROGRAMS SHOULD BE STRENGTHENED.

REBUILDING PROSPERITY FOR AGRICULTURE

MISSOURI AGRICULTURE FACES THE CHALLENGE OF RECOVERING FROM THE NATION-WIDE AGRICULTURAL DOWNTURN. POSITIVE ACTION TO ASSIST OUR FARMERS IS ALREADY UNDERWAY. THE ACTION TEAM FOR RURAL MISSOURI WHICH I APPOINTED LAST APRIL WILL CONTINUE ITS WORK WITH THE TASK FORCE PROPOSED BY HOUSE SPEAKER BOB GRIFFIN.

I PROPOSE THAT YOU IMMEDIATELY CONSIDER A PROGRAM OF 200 MILLION DOLLARS IN LINKED DEPOSIT LOANS MADE THROUGH MISSOURI BANKS, BUT AT 3 PERCENT BELOW MARKET RATES. THESE LOANS SHOULD BE AVAILABLE TO ASSIST OUR FARMERS FOR SPRING PLANTING. WE MUST MAKE SURE THAT THESE FUNDS ARE FOCUSED ON OUR TROUBLED FARMERS, THOSE WHO HAVE THE CAPACITY TO SURVIVE BUT WHO HAVE BEEN THE UNFORTUNATE VICTIMS OF MULTIPLE YEARS OF DROUGHT, FLOODING AND, UNFORTUNATELY, TOO OFTEN BOTH.

TO THOSE WHO SUGGEST THAT OUR TROUBLED FARMERS ARE LESS THAN DESERVING LET ME RESPOND THAT SUCH IS NOT THE CASE. DISASTROUS, MANIPULATED INTERNATIONAL MARKETS AND ADVERSE WEATHER HERE AT HOME HAVE PLACED SOME OF OUR BEST FARMERS IN JEOPARDY AND IT IS TIME FOR US TO EXTEND A HELPING HAND. WE WILL HAVE TO MOVE FAST, BUT IT IS IMPORTANT THAT WE DO WHAT WE CAN TO PROVIDE TIMELY SUPPORT.

WE MUST EXPAND OUR MARKETING EFFORT TO SELL MISSOURI PRODUCTS AROUND OUR NATION AND OVERSEAS. THE AGRICULTURAL RESEARCH EFFORTS AT THE UNIVERSITY OF MISSOURI MUST BUILD A TECHNOLOGICAL FOUNDATION THAT ASSISTS OUR FARMERS IN BEING THE BEST COMPETITORS ON THIS GLOBE. THE MOFARMS HOTLINE SERVICES, AND SOIL CONSERVATION PROGRAMS WILL CONTINUE TO ASSIST OUR FARMERS. THEY DESERVE OUR SUPPORT.

PROMOTING A HIGHER QUALITY OF LIFE

WE IN MISSOURI ENJOY AN ENVIABLE QUALITY OF LIFE. YOU AND I KNOW THAT FROM PERSONAL EXPERIENCE.

WE NEED TO IMPROVE OUR ALREADY STRONG STANDING. WE NEED ACTION, FIRST, TO RAISE THE QUALITY OF LIFE FOR ALL MISSOURIANS, PRIMARILY THROUGH A NEW EMPHASIS ON PREVENTING PROBLEMS BEFORE THEY HAPPEN. AND WE NEED TO TAKE ADDITIONAL STEPS TO SAFEGUARD THE WELL-BEING AND INDEPENDENCE OF THOSE AMONG US WHO, THROUGH NO FAULT OF THEIR OWN, CANNOT BE WHOLLY SELF-RELIANT.

PREVENTION IS ALWAYS THE BEST CURE. THIS WISDOM IS AT THE HEART OF MISSOURI'S NEW DEPARTMENT OF HEALTH. MY 1987 BUDGET INCLUDES A PACKAGE OF FINANCIAL RESOURCES TO PUT OUR NEW DEPARTMENT INTO ACTION. KEY TO ITS SUCCESS IS A CLOSE WORKING PARTNERSHIP WITH LOCAL HEALTH AGENCIES THROUGHOUT MISSOURI.

WE CAN MAKE SIGNIFICANT ADVANCES IN PUBLIC HEALTH THROUGH RELATED, ADDITIONAL INITIATIVES SUCH AS IMMUNIZATIONS AND MATERNAL AND CHILD HEALTH CARE.

THE DEPARTMENT OF NATURAL RESOURCES PLAYS A VITAL SUPPORTING ROLE IN PROMOTING PUBLIC HEALTH THROUGH PROTECTION. WE NEED TO INTENSIFY OUR CAMPAIGN AGAINST ENVIRONMENTAL DANGERS. I URGE YOUR SUPPORT FOR NEW EFFORTS TO OVERSEE RESPONSIBLE MANAGEMENT OF HAZARDOUS WASTE, TO SAFEGUARD AGAINST RADIATION DANGERS, TO GUARD THE QUALITY OF PUBLIC DRINKING WATER SUPPLIES AND TO AID LOCAL GOVERNMENTS AS THEY MAKE LONG-TERM PLANS FOR RESPONSIBLE SOLID WASTE DISPOSAL.

WE OWE SPECIAL ATTENTION TO THE QUALITY-OF-LIFE NEEDS OF PEOPLE MOST AT RISK. OUR CHILDREN AND OLDER MISSOURIANS ARE PROMINENT AMONG THESE.

THE PROPERTY TAX "CIRCUIT BREAKER" GIVES VALUABLE TAX RELIEF TO OLDER MISSOURIANS WHO LIVE ON FIXED INCOMES. LEGISLATION IS NEEDED TO PREVENT INFLATION FROM GRADUALLY RAISING EVEN THE LOW-INCOME ELDERLY ABOVE THE ELIGIBILITY CAP.

CHILDREN THRIVE IN WARM NURTURING FAMILY SETTINGS. MISSOURI IS RICH IN THOSE SPECIAL PARENTS WHO OPEN THEIR FAMILIES TO WELCOME ADOPTED AND FOSTER CHILDREN. MY BUDGET INCLUDES 2 MILLION DOLLARS TO DOUBLE THE NUMBER OF "SPECIAL NEEDS" CHILDREN FINDING STABLE, PERMANENT FAMILIES. FOSTER CARE PARENTS AND INTENSIVE, RESIDENTIAL TREATMENT PROGRAMS ALSO DESERVE GREATER RESOURCES AS DOES OUR WINNING FIGHT AGAINST NEGLECT AND ABUSE OF CHILDREN.

MISSOURI STATE LEGISLATORS CAN BE PROUD OF THEIR ROLE IN PROMOTING THE QUALITY OF LIFE FOR THOSE MOST AT RISK. I AM CONFIDENT THAT THE 1986 SESSION WILL SEE NEW STEPS BOTH THROUGH LEGISLATION AND THROUGH BUDGET INITIATIVES.

PROVIDING FAIRNESS AND A STRONGER VOICE FOR CONSUMERS

THE PEOPLE OF MISSOURI HAVE A FUNDAMENTAL RIGHT TO FAIRNESS IN THE ECONOMIC MARKETPLACE. WHEN OTHER FORCES OUTWEIGH THE INDIVIDUAL RIGHTS OF CONSUMERS, STATE GOVERNMENT MUST TAKE CORRECTIVE ACTION TO REBALANCE THE SCALES.

RISING ELECTRICAL COSTS CONCERN EVERYONE, RESIDENTIAL CUSTOMERS AND MISSOURI BUSINESSES ALIKE. RATE HIKE REQUESTS RAISE THE SPECTER OF LOST JOBS. "RATE SHOCK" CAUSED BY THE ENORMOUS RATE INCREASE REQUESTS ASSOCIATED WITH NUCLEAR POWER PLANTS HAS PUT THE SPOTLIGHT ON THE QUESTION OF WHETHER THE PUBLIC SERVICE COMMISSION HAS ADEQUATE AUTHORITY TO PROTECT MISSOURI CONSUMERS FROM UTILITY COMPANY MISMANAGEMENT. IT IS TIME FOR US TO BUILD A STRONGER FRAMEWORK FOR UTILITY FAIRNESS.

I PROPOSE LEGISLATION TO ASSURE THAT THE PSC WILL HAVE CLEAR AND ADEQUATE AUTHORITY TO PROHIBIT RATE INCREASES THAT RESULT FROM COST OVERRUNS OR EXCESS CAPACITY -- WHETHER CAUSED BY POOR PLANNING, BY MISMANAGEMENT OR BY MANAGEMENT IMPRUDENCE. AND IT WILL ASSURE THAT MISSOURI RATEPAYERS WILL NOT BE FORCED TO PAY IMPROPERLY FOR THE CLEANUP OF DISABLED NUCLEAR POWER PLANTS IN OTHER STATES.

AVAILABLE AND AFFORDABLE LIABILITY INSURANCE IS CRITICAL FOR GOVERNMENT AND BUSINESS IN MISSOURI. WE ARE KEENLY AWARE OF THE PROBLEMS CONFRONTING THOSE AFFECTED BY RISING LIABILITY INSURANCE COSTS: A COUNTY MUST CLOSE ITS JAIL -- A MANUFACTURER CAN NO LONGER OBTAIN ENVIRONMENTAL INSURANCE -- OR A BUSINESS ENCOUNTERS A 500 PERCENT INCREASE IN PREMIUMS. I PROPOSE THAT A STUDY GROUP OF LEGISLATORS, BUSINESS LEADERS, LAWYERS, INSURANCE INTERESTS, AND THE DIVISION OF INSURANCE BEGIN WORK TO DEFINE APPROPRIATE SOLUTIONS TO THIS PROBLEM.

TAKING STRONG ACTION FOR A SAFER AND MORE SECURE MISSOURI

LAST YEAR I ASKED THAT YOU INCLUDE IN OUR 400 MILLION DOLLAR BOND PACKAGE SUBSTANTIAL ADDITIONAL SUPPORT TO HELP OUR CORRECTIONS SYSTEM KEEP PACE WITH ITS GROWING POPULATION. DESPITE YOUR STRONG RESPONSE, SIGNIFICANT AND IMMEDIATE ACTION IS NEEDED ONCE AGAIN.

INMATE POPULATION GROWTH DURING 1985 FAR OUTSTRIPPED PROJECTED INCREASES, COMPOUNDING THE NEED FOR ACTION DURING THE INTERIM UNTIL COMPLETION OF OUR TWO MAJOR NEW FACILITIES IN 1988.

I RECENTLY ANNOUNCED PLANS TO REQUEST 11.2 MILLION DOLLARS IN EMERGENCY AND SUPPLEMENTAL FUNDING TO PROVIDE ADDITIONAL BEDSPACE AND IMPROVED SECURITY AT EXISTING FACILITIES. MY BUDGET RECOMMENDATIONS FOR NEXT YEAR PROVIDE A 31.8 MILLION DOLLAR INCREASE TO FURTHER ENHANCE PRISON SECURITY, OPEN THE FARMINGTON FACILITY, CREATE NEW BEDSPACE, AND PROVIDE HIGHER SALARIES FOR CORRECTIONAL OFFICERS TO ATTRACT THE MOST QUALIFIED APPLICANTS. THESE ACTIONS WILL PROVIDE A TOTAL OF 5,460 MORE BEDS BY THE FALL OF 1988.

FISCAL FOUNDATION

IMPLEMENTING EXCELLENCE FOR MISSOURI HINGES VITALLY ON FINANCIAL STABILITY. I AM PROUD TO PRESENT A BUDGET WHICH ADDRESSES HIGH PUBLIC PRIORITIES WITHOUT INCREASING THE BURDEN OF TAXATION. I AM COMMITTED, AS I KNOW YOU ARE, TO MAKE STATE GOVERNMENT LIVE WITHIN ITS MEANS.

ONE YEAR AGO I CALLED FOR YOUR ASSISTANCE IN PUTTING AN END TO THE "BOOM AND BUST" CYCLE OF STATE FINANCES. TOGETHER WE CREATED MISSOURI'S FIRST BUDGET STABILIZATION FUND. AND WE RAISED THE CASH OPERATING RESERVE TO THE FULL FIVE PERCENT LEVEL THAT WILL ALLOW THE STATE TO PAY ITS BILLS ON TIME.

YOUR ACTION DESERVES THE GRATITUDE OF THE PEOPLE OF THIS STATE.

OUR AGENDA, HOWEVER, IS NOT COMPLETE. TO FULFILL ITS PROMISE, I PROPOSE TO TRANSFER A TOTAL OF 50 MILLION DOLLARS INTO THE BUDGET STABILIZATION FUND OVER THE NEXT FIVE YEARS, BEGINNING WITH 10 MILLION DOLLARS IN 1987. THE RAINY DAY FUND WOULD CUSHION THE IMPACT OF ANY FUTURE ECONOMIC DOWNTURN OR PRECIPITOUS DEMAND ON STATE REVENUES.

I WANT TO ADDRESS SEVERAL AREAS OF UNFINISHED BUSINESS. SEVERAL IMPORTANT MEASURES APPROVED DURING THE 1985 LEGISLATIVE SESSION NEED YOUR RECONSIDERATION.

THE FIRST OF THESE IS THE OMNIBUS CRIME LAW WHICH THE STATE SUPREME COURT PROPERLY INVALIDATED ON TECHNICAL GROUNDS. THERE IS NO QUESTION THAT THE LEGISLATION WAS NEEDED AND I URGE YOUR PROMPT PASSAGE OF THAT IMPORTANT MEASURE.

SECOND ARE CERTAIN MEASURES WHICH I FOUND IT NECESSARY TO VETO. LET ME ASSURE YOU THAT I DO NOT USE THE GOVERNOR'S CONSTITUTIONAL VETO POWER LIGHTLY. I NONETHELESS WAS FORCED TO VETO FOUR BILLS BECAUSE THEY INCLUDED PROVISIONS WHICH UNFORTUNATELY OUTWEIGHED THEIR CENTRAL PURPOSES -- PURPOSES WHICH I SUPPORT STRONGLY. IT IS IMPORTANT THAT WE ATTACK THE THREAT OF UNINSURED DRIVERS WITHOUT CREATING AN UNNECESSARY BUREAUCRATIC BURDEN. I AM COMMITTED TO WORK WITH THE SPONSORS OF SUCH MEASURES TO SEEK A WORKABLE SOLUTION.

IMMUNITY FOR CRIME WITNESSES WHOSE TESTIMONY HELPS CONVICT CRIMINALS IS AN IMPORTANT WEAPON AGAINST CRIME AND I URGE THE GENERAL ASSEMBLY TO PASS SUCH A MEASURE.

I WILL SUPPORT LEGISLATION WHICH INCREASES THE PER DIEM REIMBURSEMENT TO COUNTIES FOR HOUSING STATE PRISONERS AND PAROLE VIOLATORS. BUT I CANNOT SUPPORT A PROVISION WHICH PROVIDES AN OPEN CHECKBOOK FOR REIMBURSEMENT FOR PRISONER MEDICAL EXPENSES WITHOUT CONTROLS OR OUR ABILITY TO ESTIMATE COSTS.

I PROPOSE THAT WE INCREASE THE PER DIEM RATE FROM EIGHT TO FOURTEEN DOLLARS. THIS RATE WILL REIMBURSE MEDICAL COSTS IN ADDITION TO PROVIDING AN OVER 50 PERCENT INCREASE IN THE REIMBURSEMENT TO COUNTIES.

THE HISTORIC PRESERVATION LEGISLATION PASSED LAST SESSION IS A MERITORIOUS CONCEPT. I WILL WORK WITH THE SPONSORS IN SUPPORT OF LEGISLATION TO FULFILL THE IMPORTANT GOALS WE SHARE IN THIS AREA.

CONCLUSION

THIS BUDGET AND LEGISLATIVE PACKAGE CONTAINS MY PROPOSALS. I HAVE A DEEP RESPECT FOR THE LEGISLATIVE PROCESS, AND I COMMEND THESE TO YOU FOR CONSIDERATION. THE POWER TO ADD AND SUBTRACT FROM THIS BUDGET DURING THE APPROPRIATIONS PROCESS IS YOURS, BUT IN THE END THE BOTTOM LINE MUST BE A BUDGET THAT COMMITS THE STATE TO SPENDING ONLY THAT WHICH CAN BE SUSTAINED IN THE FUTURE. IF CIRCUMSTANCES WARRANT, I WILL MAKE ADDITIONAL RECOMMENDATIONS TO YOU DURING THE LEGISLATIVE PROCESS TO ADJUST THIS BUDGET UP OR DOWN. WE MUST WATCH THE DOWNWARD PRESSURES ON OUR STATE FINANCIAL PICTURE VERY CLOSELY. COURT-ORDERED DESEGREGATION PAYMENTS, FEDERAL BUDGET REDUCTIONS, AND ANY SIGN OF ECONOMIC DOWNTURN COULD CAUSE A RE-EXAMINATION OF OUR OUTLOOK.

LAST FALL, OUR TWO MAJOR LEAGUE BASEBALL TEAMS PROVIDED US A RARE OPPORTUNITY TO CELEBRATE MISSOURI. MANY OF YOU WERE KIND ENOUGH TO JOIN ME ON A WHISTLE-STOP TOUR ACROSS OUR STATE TO HONOR THE TWO BEST BASEBALL TEAMS IN THE WORLD. AND AS WE WATCHED THE HATS TURN FROM BLUE, TO BLUE AND RED, THEN TO RED, IT WAS IMPOSSIBLE NOT TO REFLECT ON THE RICH DIVERSITY OF OUR PEOPLE.

FROM MAJOR CITIES TO SMALL TOWNS -- FROM INDUSTRIAL CENTERS TO HANDS THAT FEED THE WORLD -- FROM THE SMOOTH FACES OF SMALL CHILDREN, THEIR EYES AGLOW WITH EXPECTATION TO THE TWINKLING AND CRINKLED EYES OF THOSE WHO HAVE EARNED THEIR REST THROUGH A LIFETIME OF TOIL -- THIS IS MISSOURI.

WE, WE, HAVE THE PRIVILEGE OF LEADING THESE GOOD PEOPLE TOWARD A NEW CENTURY.

THEY HAVE THE TALENT, IF WE GIVE THEM TOOLS TO DEVELOP IT.

THEY HAVE THE DESIRE, IF WE PROVIDE AVENUES FOR THEM TO EXPRESS IT.

THEY HAVE THE CREATIVITY, IF WE GIVE THEM OPPORTUNITY.

THEY HAVE HIGH HOPES AND WE MUST HELP THEM REACH THEM.

THEY ARE THE REASON WE ARE HERE. WE CANNOT LET THEM DOWN.

THANK YOU, GOD BLESS YOU AND GOD BLESS MISSOURI.